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SUBJECT: LIBERAL BUDGET PASSES AT CONSERVATIVE,S EXPENSE

[1](#)1. (SBU) Summary: The Liberal Government,s Federal budget passed March 9 by a vote of 132 to 73, after the largest mass abstention in Canadian Parliamentary history by the Opposition Conservative Party. The Conservatives were anxious to avoid an election, and given the roughly even numbers of opposition and government in Parliament, were effectively forced to abstain from their own opposition amendment lest they bring the government down. The big winners in the showdown were the Bloc Quebecois, which showed itself as the only party that is truly ready to go to elections, and the Liberals, who watched their opponent flail about but in the end got their budget passed. End Summary

[1](#)2. (SBU) The federal budget was tabled on February 23. The Official Opposition Conservative Party (99 of 308 seats) stated that with polls indicating Canadians do not want an election, they would not work to defeat the budget. The key question was what the Bloc Quebecois (54 seats) and the New Democratic Party (19 seats) would do. The approval system calls for a vote on a sub-amendment by the third largest party (Bloc Quebecois), followed by the main amendment by the Official Opposition (Conservatives). Under a normal majority government, these amendments are merely a chance for the opposition to register complaints and score political points, but in the end the governing party will simply pass the budget. In a minority government, however, the amendments take on much greater importance, especially since the budget is an obvious confidence vote. The trick for the Conservatives was how to play the role of the opposition without forcing an election. They hoped to do this by inserting things the Bloc and NDP could not accept, such as tax cuts, criticism of environmental and child-care spending, and lamenting the budget,s &lack of Conservative values,8 thus forcing the Bloc and NDP to vote for the government,s budget and leaving the Conservatives alone in opposition.

Shoot Out with the Bloc

[1](#)3. (SBU) The Bloc, emboldened by its continuing popularity in Quebec and not fearing elections, was in no mood to go along, however. The voting process for the budget began on March 7 with the Bloc Quebecois, sub-amendment being quickly defeated. Prior to the vote on the Conservative amendment March 8, Liberal House Leader Valerie announced his understanding that the Bloc would vote to support the Conservative amendment, thus passing the amendment and crashing the government. Chief of Staff to the Bloc House Leader told us that this was a possibility, but would only be decided at a Bloc caucus meeting an hour before the vote. The Conservatives could not take a chance, so were forced to position their member,s votes such that they ensured the defeat of their own amendment. They did this by leaving some members outside the House to guarantee the amendment would fail even with Bloc support, which did not come through. In the end the Bloc voted against and the Conservatives abstained from the Conservative amendment, not a good day for opposition coalition building.

Mass Abstention

[1](#)4. (SBU) The final budget vote was held on March 9. Following the previous day,s close call, Conservative House Leader Jay Hill announced that the Conservative Party would abstain en masse from the budget vote in order not to spark an undesired election. Later, Conservative Leader Harper suggested the mass abstention was actually a protest, designed to send a message of disapproval to the government while still allowing the budget to pass. In the largest abstention in Canadian Parliamentary history, the 82 Conservatives MPs on the floor did not vote for or against the budget but simply remained sitting throughout. (Note: traditionally MPs only abstain when they wish to voice strong personal or constituent opposition to a motion without openly defying their leaders or the party position. The conventional way to influence voting when numbers must be withdrawn, is to arrange for MPs to be absent from the House, something that is easier to explain to constituents than the passive-aggressive motion of simply not participating. End Note) The final vote was 132 in favor of the budget (all Liberals plus one independent), to 73 against (all the Bloc and the NDP).

15. (SBU) Comment: In the end there appears to be several winners and one loser in this process. The Liberal Party clearly came out on top because their budget was passed and they did not have to give much up in the process. With a generous budget and a recent, successful party convention behind them the Liberals have come across looking good and may see their numbers start to go up as a result, especially as the new spending kicks in. The Bloc Quebecois was also a clear winner, by making both the Liberals and Conservatives stand up and take notice that the Bloc must be reckoned with. The NDP wins with their own constituents because they are the only party to have avoided brinkmanship games while sticking to party policy throughout the process. An NDP official also told us that the party will be jumping on this opportunity to target ridings in Western Canada where a Conservative defeated an NDP candidate by less than 200 votes. Reportedly, there are 20 such seats ready for NDP plucking. The NDP will use the mass abstention as proof that the Conservative Party plays political games and is not representing the people effectively. The clear loser was the Conservative Party, which not only had to scramble to ensure the defeat of its own amendment, but was forced to abstain from the most important vote of the season. It was not what the Opposition is supposed to be doing on the Hill, and tarnished the Party's image considerably. The Conservatives will need to dig out at the upcoming convention.

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